

Commissioner's Decision #1422
Décision du commissaire n° 1422

TOPIC/SUJET:

J50 (Mere Plan/Simple plan)

J60 (Printed Matter/Imprimés)

Application No.: 2,223,791

Demande n°: 2 223 791

IN THE CANADIAN PATENT OFFICE

DECISION OF THE COMMISSIONER OF PATENTS

Patent application number 2,223,791 having been rejected under subsection 30(3) of the *Patent Rules*, has subsequently been reviewed in accordance with paragraph 30(6)(c) of the *Patent Rules*. The recommendation of the Patent Appeal Board and the decision of the Commissioner is to refuse the application.

Agent for the Applicant:

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INTRODUCTION

- [1] This recommendation concerns the review of rejected patent application number 2,223,791, which is entitled “Integrated Full Service Consumer Banking System and System and Method for Opening an Account” owned by CITIBANK. The outstanding substantive defect to be addressed is whether the claims on file are directed to statutory subject matter. A review of the rejected application has been conducted by the Patent Appeal Board pursuant to paragraph 30(6)(c) of the *Patent Rules*.
- [2] As explained in more detail below, our recommendation is that the application be refused on the basis that the claims on file, namely claims 1-23, are directed to non-statutory subject matter and are therefore non-compliant with section 2 of the *Patent Act*.

BACKGROUND

The Application

- [3] Patent application 2,223,791 was filed on June 6th, 1996 and published on December 19th, 1996.
- [4] The application relates to methods and systems for opening a bank account. More particularly, the application relates to methods and systems for opening a single, integrated account that allows customers to access a full range of global financial services using a variety of access points; see application at p.1, lines 21-26.

Prosecution history

- [5] On July 24th, 2014, the Examiner wrote a Final Action (“FA”) pursuant to subsection 30(4) of the *Patent Rules*. The FA states that the application is defective on the

grounds that claims 1 to 23 are directed to matter outside the categories of invention within section 2 of the *Patent Act* (non-statutory subject matter). Two additional defects were identified: that the description was insufficient and that the invention lacked utility.

- [6] In an October 9th, 2014 response to the Final Action (“R-FA”), the Applicant did not amend its claims and argued that the claims complied with the *Patent Act* and *Patent Rules*.
- [7] As the Examiner considered the application not to comply with the *Patent Act*, pursuant to subsection 30(6) of the *Patent Rules* the application was forwarded to the Patent Appeal Board (“the Board”) for review on January 5th, 2015, along with an explanation outlined in a Summary of Reasons (“SOR”). The SOR maintained the positions taken in the Final Action.
- [8] In a letter dated February 12th, 2015 (the “Acknowledgement Letter”) the Board forwarded the Applicant a copy of the SOR and offered the Applicant the opportunity to make further written submissions and attend an oral hearing.
- [9] The Applicant responded to the Acknowledgment Letter on May 15th, 2015 and advised the Board that it “does not wish to participate in an oral hearing” but that it did wish to make further written submissions in response to the SOR. The Applicant provided a response to the SOR (“R-SOR”) in a letter dated May 19, 2015 maintaining its views in the R-FA. The Applicant concluded with “[i]f the Board's initial review reveals additional issues or issues that the Board feels have not been fully addressed in the existing written record, the Applicant respectfully requests to be given a further opportunity to present additional written submissions for the Board's consideration.”
- [10] This panel of the Board was formed to conduct a review of this application. Having conducted a preliminary review, the Panel provided its preliminary views to the

Applicant in a letter dated December 12th, 2016. The Applicant was given until January 19th, 2017 to provide the Panel with any new submissions. The Applicant responded on January 17th, 2017 and advised “...that no further submissions will be provided in this matter.”

[11] Accordingly, the Panel provides the following recommendation to the Commissioner based on its preliminary views provided to the Applicant.

ISSUES

[12] Based on our reading of the FA, the SOR, the R-FA and R-SOR, the main substantive issue raised in the FA and SOR is whether or not claims 1-23 are directed to non-statutory subject matter and therefore non-compliant with section 2 of the *Patent Act*.

LEGISLATION AND LEGAL PRINCIPLES

Purposive construction

[13] In accordance with *Free World Trust v Électro Santé Inc*, 2000 SCC 66 (“*Free World Trust*”) essential elements are identified through a purposive construction of the claims done by considering the whole of the disclosure, including the specification and drawings (see also *Whirlpool Corp v Camco Inc*, 2000 SCC 67 at paras 49(f) and (g) and 52). In accordance with the *Manual of Patent Office Practice* (MOPOP), §13.05 [revised June 2015], the first step of purposive claim construction is to identify the person skilled in the art and their relevant common general knowledge (“CGK”). The next step is to identify the problem addressed by the inventors and the solution put forth in the application. Essential elements can then be identified as those required to achieve the disclosed solution as claimed.

Statutory subject matter

[14] The definition of invention is set out in section 2 of the *Patent Act*:

“invention” means any new and useful art, process, machine, manufacture or composition of matter, or any new and useful improvement in any art, process, machine, manufacture or composition of matter.

[15] Following the Federal Court of Appeal decision in *Canada (Attorney General) v Amazon.com Inc*, 2011 FCA 328 (“*Amazon FCA*”), the Patent Office released two Practice Notices (PN 2013-02 *Examination Practice Respecting Purposive Construction* and PN 2013-03 *Examination Practice Respecting Computer-Implemented Inventions*) that clarified the Patent Office’s approach to claim construction and computer implemented inventions, respectively.

[16] As stated in PN 2013-03, Office practice considers that “where a computer is found to be an essential element of a construed claim, the claimed subject-matter will generally be statutory... Where, on the other hand, it is determined that the essential elements of a construed claim are limited to matter excluded from the definition of invention” – for example, fine arts, methods of medical treatment, features lacking in physicality, or claims where the subject matter is a mere idea, scheme, rule or set of rules – “the claim is not compliant with section 2 of the *Patent Act*.”

[17] Additionally, section 12.06.01 of MOPOP states that: “[w]here a claim includes a feature having a solely intellectual or aesthetic significance, and no statutory feature of the claim appears to form part of the contribution, the claim is objected to under section 2 of the *Patent Act* on the grounds that the feature having solely intellectual or aesthetic significance is not, of itself, a statutory invention.” The phrase “and no statutory feature of the claim appears to form part of the contribution” [emphasis added] reflects the former framework that is no longer followed by the Patent Office. As noted in PN 2013-03, “PN 2013-02 (Examination Practice Respecting Purposive Construction) mandates the use of purposive construction in place of other approaches to claim analysis. In particular, the ‘contribution approach’...is not to be

used.” However, apart from its reference to the “contribution approach,” section 12.06.01 of MOPOP still reflects current Patent Office practice that features of solely intellectual or aesthetic significance are excluded from the definition of invention.

Section 12.06.01 also clarifies that:

The expression “feature having a purely intellectual or aesthetic significance” applies to certain features that cannot, in a practical sense, affect the functioning of an invention. Such a feature therefore cannot change the manner in which the practical form of an invention operates to solve the problem for which it is the solution, and consequently can never be an essential element of a statutory invention.

[18] One specific example of this principle is printed matter. In particular, section 12.06.04 of MOPOP provides as follows:

12.06.04 Printed matter

A very recognizable application of the principle set out in 12.06.01 is in respect of printed matter. Where printed matter does not provide a new functionality to the substrate on which it is printed, there has not been a statutory contribution. For the printed matter and the substrate to be, together, a practical form of an invention, they must solve a practical problem related to the use of the printed matter in general, and not based on the solely intellectual or aesthetic content of the printed matter itself.

[19] Finally, this section of MOPOP clarifies that “[t]he term ‘printed matter’ should, in this sense, not be restricted to traditional ‘ink-on-paper’ printing. Any display of information wherein the sole contribution is in the information itself is not a statutory invention.”

[20] With the guidance of PN 2013-02 in mind, the claims as purposively construed are assessed for subject matter.

ANALYSIS

Claim Construction

[21] In the Final Action the Examiner found that “the computer (implied within the method claims, and represented as ‘means’ in the system claims) and database are not considered to be essential features” in the present claims – as purposively

construed – and found that the claims are “directed to a mere scheme and not to a patentable category of invention”. The Applicant maintains that the computer and database are essential elements and that the claims are statutory.

- [22] There was disagreement during the prosecution regarding the correct principles to be applied in construing the claims. The Examiner applied the practice set out in PN 2013-02, a practice that the Applicant submits fails to consider the guiding principles set out in *Free World Trust*.

The claims on file

- [23] For ease of reference, independent claim 1 provides as follows:

1. A method of opening a single integrated account for a customer in a single session comprising the steps of:
 - building a database containing a customer profile that includes demographic information and customer financial information;
 - performing a needs analysis based on information collected; receiving a customer selection of at least one component for the single integrated account;
 - recommending an account based on the needs analysis and presenting information concerning at least one selected component of the single integrated account to the customer;
 - displaying an image of a bank statement;
 - updating the database to reflect the customer's selection of at least one single integrated account component;
 - displaying a second image of a representation of a bank statement which image is revised to reflect the customer's selection; and
 - printing at least one enrollment form.

- [24] Claim 2 is a system claim and reads as follows:

2. An integrated financial system comprising:
 - a single integrated customer account that permits a customer to perform various financial transactions including at least banking transactions and brokerage transactions;

a user interface for allowing a customer to access the single integrated account from a plurality of different sources including at least one of an automatic teller machine, a phone and a personal teller transaction;

means for collecting information from the customer;

means for receiving a customer selection of at least one component of the single integrated account;

means for performing a needs analysis based on information collected;

means for recommending an account based on the needs analysis; and

means for presenting information concerning at least one component of the single integrated account to the customer.

- [25] The application also contains independent claims 7, 19, and 21. The remaining claims depend on one of these five independent claims. Having reviewed the claims on file and considering the submissions in the prosecution, it is our view that the statutory subject matter analysis can primarily focus on claims 1 and 2 (with the exception of one feature relevant to claims 7 and 19, discussed below) and that the conclusions regarding these claims may be applied to the remaining claims.

Free World Trust principles

- [26] The Applicant's submissions in the R-SOR take the position that the Patent Office practice set out in PN 2013-02 and PN 2013-03 "is not in accordance with the jurisprudence". In particular, the Applicant states that "[t]he appropriate analysis to be undertaken in assessing the essentiality of a claim element is set forth... [in] *Free World Trust*"; see R-SOR at p.2.

- [27] The Panel notes that PN 2013-02, cited by the Examiner in the Final Action, provides that the principles set out in *Free World Trust* "must take into account the role of the patent examiner and the purpose and context of examination." The Practice Notice then sets out a framework for construction for the context of the examination of applications. Having reviewed the prosecution of the application, we are of the view that purposive construction was conducted in a manner consistent

with the guidance set out in PN 2013-02, a practice that takes notice of the principles of *Free World Trust* as well as the context of examination prior to the grant of any patent.

[28] We turn to the application of that guidance to the present claims.

The person skilled in the art and common general knowledge

[29] The characterization of the person skilled in the art and the common general knowledge were not in dispute in the prosecution nor is it apparent that these would be material to the positions of the Examiner or the Applicant in the present case. The Panel considers the person skilled in the art to be a financial services professional and an information systems professional in the financial services industry.

[30] The Examiner found that it was common general knowledge of the skilled person to “access an account via at least one of an automatic teller machine, a phone and a personal teller transaction”; see SOR at p.3. This point was not disputed by the Applicant.

The problem to be solved

[31] The problem as set out in the Final Action is stated as: “When cross-selling new accounts, the customer must repeatedly provide the bank with the same data... customers are unlikely to change their accounts due to the effort involved”.

[32] The Applicant did not put forth an alternate view of the problem to be solved, though it did submit that different principles of construction ought to be applied, addressed above at paras 26 and 27. The Applicant did add, however, “that existing systems are not as user friendly as they could be, and while customers can access the system in a variety of ways, doing so requires possession of certain skills such as computer

literacy or a degree of technical competence that not all potential customers possess”; see R-FA at p.6.

- [33] In the Panel’s view, the problem is as set out in the Final Action, with the addition of Applicant’s point concerning addressing the need for a user friendly system. These are consistent with the Panel’s reading of the description of the application.

The solution proposed

- [34] According to the “Field of the Invention” section of the application, the application is directed to “an integrated full service consumer banking system and a system and method for opening a single account that allows customers to access a full range of global financial services using a variety of access points.” The application then discusses the problems in the prior art and states:

To overcome these obstacles, the focus of the present invention is to build a relationship with the customer rather than opening stand alone accounts for the customer. Studies have shown that as a customer’s relationship with a bank broadens, the customer’s balances increase. The present inventors have found that one way to establish a long term relationship with a customer involves opening a single account in which the customer has access to a full range of services at once.

- [35] The Final Action states that there are two proposed solutions. Firstly, “providing one single account with a broad range of services.” This is later refined as “the solution of enabling the opening of a single integrated account for a customer in a single session”; see Final Action at p.5. Secondly, the claimed invention proposes an additional solution of “presenting the user a first image of a bank statement, and a second image of a bank statement which is revised to reflect the customer’s selection”. The Final Action points out that the second solution is only pertinent to independent claims 1 and 21 and not the other independent claims.

- [36] The Applicant, again disagreeing with the Patent Office’s approach to claim construction as addressed above, did not offer an alternative solution with the exception of a point related to “data linking”. This point is limited to specific claims

and is addressed below at paras 48-51. The Applicant linked the additional solution discussed above to the problem of providing a user friendly system as follows:

the use of the bank statement motif achieves the functional objective of presenting a consistent interface to customers which addresses a problem noted in the Background of the Invention section at p.7, lines 8 to 14, i.e. that existing systems are not as user friendly as they could be.

[37] In the Panel's view, the application provides the solution of opening a single integrated account for a customer in a single session. Independent claims 1 and 21 add the additional solution of presenting the user a first image of a bank statement, and a second image of a bank statement which is revised to reflect the customer's selection. These solutions are consistent with the Panel's reading of the description and with the solutions set out in the Final Action. Moreover, the Applicant did not submit an alternative view apart from disagreeing with the approach to claim construction and the "data linking" point addressed below.

The essential elements

[38] As noted above at para 25, claims 1 and 2 are largely the focus of this analysis.

[39] The Final Action identifies the essential elements of claim 1 as:

- a customer profile that includes demographic information and customer financial information;
- performing a needs analysis based on information collected;
- receiving a customer selection of at least one component for the single integrated account;
- recommending an account based on the needs analysis and presenting information concerning at least one selected component of the single integrated account to the customer;
- displaying an image of a bank statement;
- displaying a second image of a representation of a bank statement which image is revised to reflect the customer's selection; and
- (printing) at least one enrollment form.

[40] As for claim 2, the Final Action lists the following essential elements:

- a single integrated customer account that permits a customer to perform various financial transactions including at least banking transactions and brokerage transactions;
- allowing a customer to access the single integrated account;
- collecting information from the customer;
- receiving a customer selection of at least one component of the single integrated account;
- performing a needs analysis based on information collected;
- recommending an account based on the needs analysis; and
- presenting information concerning at least one component of the single integrated account.

[41] The Examiner and Applicant disagree on whether the computer (as either implied in the method or recited by way of “means for” elements) and database are essential.

The Examiner finds they are not. According to the Final Action (at p.5), these elements are:

material to the operating environment of the conventional financial systems, these features are not essential to the solution of enabling the opening of a single integrated account for a customer in a single session. Instead, these features define the specific working environment for the invention.

[42] The Applicant submits at p.3 of its R-SOR that the computer and database are essential elements because:

Without a database and computer, the information collected from the customer could not be organized or stored in any manner, and could not be passed to other locations where it is required.

...

With respect to "a user interface for allowing a customer to access the single integrated account from a plurality of different sources", it is emphasized that the user cannot access the account in the absence of a tangible physical apparatus for doing so.

[43] In the R-FA, the Applicant submitted:

...the Applicant requests clarification of how the second essential feature identified in the Final Action, i.e. presenting the user a first image of a bank statement, and a second image of a bank statement which is revised to reflect the customer's selection, is accomplished without the use of a computer. The display steps inherently require physical apparatus capable of generating and modifying such a display. Consequently, a computer and display apparatus are essential elements of independent claims 1 and 21

...

Furthermore, it is respectfully submitted that the database and computer are essential features of all of the claims of this application... the presently claimed invention also ensures that required information is collected from the customer only once by linking data fields in each account component such that once a piece of data is collected, the

data is provided to all appropriate data fields, and enables a user to determine when certain information should be provided in the process by allowing a user to bypass a data field and provide that data later in the session [emphasis in original]

...

Thus, in the absence of the database, the claimed method could not solve the problem set forth in the Final Action, and thus the database is an essential feature of claim 1.

...

it is impossible to conceive of how the user can "access the single integrated account" in the absence of some tangible physical apparatus for doing so. Thus, the "plurality of different sources including at least one of an automatic teller machine, a phone, and a personal teller transaction" are essential elements of claim 2.

[44] While the Board agrees that a computer, database, ATM, etc. would, practically speaking, be used to implement the present invention, they are not elements that are material to the solutions to the problems set out above.

[45] Recall that, according to Patent Office Practice, the essential elements are those required to achieve the disclosed solution as claimed and that the two solutions identified above are "opening a single integrated account for a customer in a single session" and, additionally for claims 1 and 21, "presenting the user a first image of a bank statement, and a second image of a bank statement which is revised to reflect the customer's selection." In the Panel's view, computers, databases, etc. do not provide the solutions to the problems, rather the features of a single integrated account opened in a single session avoid the need for a customer to repeatedly provide the same data and to capture the customer's attention with additional products while they are already engaged in the business of opening an account.

[46] Likewise, for the second solution of presenting first and second images of a bank statement, it is the selection of the bank statement motif, however presented, that addresses the need for a user friendly system. PN 2013-02 states that "[s]ome elements of a claim merely define the context or the environment of a specific working embodiment, but do not actually change the nature of the solution to the problem." It is the Panel's view that the computer and database likewise merely define the context or environment in the present case.

[47] Similarly, regarding the aspect of accessing the single integrated account from a plurality of sources, as recited in claim 2, the Final Action states that this is non-essential because it is common general knowledge. The Applicant submits in the R-FA that “[a]n element cannot become nonessential because it is known in the prior art.” In the Panel’s view, accessing the account “from a plurality of different sources including at least one of an automatic teller machine, a phone and a personal teller transaction” is non-essential as it is merely part of the operating environment and does not serve to address the problem set out above.

Independent claims 7 and 19

[48] The Examiner and Applicant also disagreed on the essentiality of an element found in claims 7 and 19 related to the linking of data fields.

[49] The Applicant submits that “the presently claimed invention also ensures that required information is collected from the customer only once by linking data fields in each account component such that once a piece of data is collected, the data is provided to all appropriate data fields, and enables a user to determine when certain information should be provided in the process by allowing a user to bypass a data field and provide that data later in the session” [emphasis in original], see R-FA at p.2-3.

[50] This point was addressed in the SOR as follows:

Although these computerized features are material to the operating environment of the conventional financial systems, these features are not essential to the solution of enabling the opening of a single integrated account for a customer in a single session. Instead, these features define the specific working environment for the invention.

[51] The Panel agrees with the Examiner that the data field linking feature is not essential to the solution of enabling the opening of a single integrated account for a customer in a single session. This feature is part of the operating environment of the computer

in the storage and retrieval of data required to establish multiple components of a single, integrated account.

Statutory subject matter

- [52] As the computer and database are not essential elements, consistent with the guidance referred to above at para 15, it is the Panel's view that the claims as construed above are related to a scheme.
- [53] In the R-SOR, the Applicant alerted the Panel to its submissions dated May 25, 2010 in which *Shell Oil Co v Commissioner of Patents*, 1982, 2 S.C.R. 536, 67 C.P.R. (2d) 1 ("*Shell Oil*") is cited in support of its position that the present claims are patentable subject matter. However, Practice Notice PN 2013-03 cites *Shell Oil* at p.4 to support the position that disembodied inventions, such as "inventions where the claimed subject-matter is a mere idea, scheme, plan or set of rules" are not statutory subject matter.
- [54] Steps such as analysing a customer's needs, recommending an account, selecting an account component, displaying bank statements, and producing an enrollment form, as detailed above in the list of essential elements, "to build a relationship with the customer rather than opening stand alone accounts for the customer" (application at p.3) amount to a scheme. Practice Notice PN 2013-03 provides that a "mere idea, scheme, plan or set or rules" is not included within the meaning of section 2 of the *Patent Act* and thus is not patentable (statutory) subject matter (see PN 2013-03 at p.2).
- [55] Regarding the second "bank statement motif" solution, the Applicant submits in the R-SOR that "the display step is not the mere presentation of information with intellectual meaning. Rather, as outlined in the specification at p.32, line 31 to p.33, line 17, the use of the bank statement motif achieves the functional objective of presenting a consistent interface to customers..." The Panel is of the view that the

provision of a consistent interface to customers to improve clarity is not functional but instead relates to the intellectual meaning of the account information to the customer. The bank statement communicates to the customer their selections so that they understand what has been set up with the bank. There is no functional component to this display in the Panel's view.

[56] Accordingly, the claims as construed do not define statutory subject-matter and therefore do not comply with s. 2 of the *Patent Act*.

Other issues

[57] Given our conclusion above, it is unnecessary to address the other two defects raised in the Final Action.

RECOMMENDATION OF THE BOARD

[58] In view of the above, the panel recommends that the application be refused on the basis that the claims on file, namely claims 1-23, do not define statutory subject-matter and therefore do not comply with s. 2 of the *Patent Act*.

Mark Couture
Member

Andrew Strong
Member

Mara Gravelle
Member

DECISION

[59] I concur with the conclusions and recommendation of the Board that the application be refused on the grounds that claims 1 to 23 do not define statutory subject-matter and therefore do not comply with s. 2 of the *Patent Act*.

Johanne Bélisle

Commissioner of Patents

Dated at Gatineau, Quebec,

this 1st day of June, 2017